

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Implementation of Section 621(a)(1) of the Cable	)	MB Docket No. 05-311
Communications Policy Act of 1984 as Amended	)	
by the Cable Television Consumer Protection and	)	
Competition Act of 1992	)	

**COMMENTS OF THE CITY OF LOCKHART, TEXAS  
November 14, 2018**

The City of Lockhart, Texas, appreciates the opportunity to file comments on the Second Further Notice of Proposed Rulemaking (“FNPRM”) in the above-referenced docket. The City of Lockhart is a Texas governmental entity located in Caldwell County, Texas. It has one PEG channel that provides public information to citizens through character generated pages, and it shows Lockhart City Council meetings LIVE to enable citizens to view the meetings if they are unable to be present at the meeting location. There are approximately 6,000 subscribers to Spectrum Channel 10 in Lockhart, Texas who can access the PEG channel. We strongly oppose the tentative conclusion in the FNPRM that the value of cable franchise obligations, such as those that allow our programming to be viewed on the cable system, can be deducted from franchise fees.

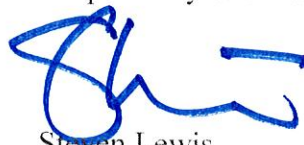
The proposed franchise fee deduction would negatively impact the City of Lockhart’s budget, and the City already has a long-standing agreement with the cable operator that the PEG channel obligations are not franchise fees. Furthermore, using fair market value to determine the amount to be considered for a franchise fee likely will result in arbitrary deductions and annual reviews, calculations, and disagreements about what is or isn’t fair market value.

The PEG channel provides information about city services, activities and news that enables viewers to stay up-to-date with the community. The citizens appreciate being able to rely on the PEG channel to know about upcoming City actions, events and services, and to view their local government at work.

PEG programming is NOT for the benefit of the local franchising authority (LFA) or the PEG provider, but rather for the public. As demonstrated above, the City of Lockhart provides valuable local programming that is not otherwise available on the cable system, and the programming provides people who are home-bound or otherwise unable to attend city council meetings to view and understand how their city works. It also provides a forum for local activities, including those that benefit the city at large, to be announced and explained. PEG programming fits squarely into the category of benefits that do not accrue to the LFA or its designated access provider. The City believes that the conclusion is incorrect that non-capital PEG-related provisions benefit the LFA or its designee rather than the public and cable subscribers.

In conclusion, we strongly oppose the tentative conclusion in the FNPRM that the value of cable franchise obligations, such as those that allow our programming to be viewed on the cable system, can be deducted from franchise fees.

Respectfully submitted,



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